

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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| In re: | X | |
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| THE FINANCIAL OVERSIGHT AND | : | PROMESA |
| MANAGEMENT BOARD FOR PUERTO RICO, | : | Title III |
| | : | |
| as representative of | : | Case No. 17-BK-3283 (LTS) |
| | : | |
| THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> , | : | (Jointly Administered) |
| | : | |
| Debtors. ¹ | : | |
| | X | |

**RESERVATION OF RIGHTS OF OFFICIAL COMMITTEE OF UNSECURED
CREDITORS WITH RESPECT TO MOTION OF COMMONWEALTH OF
PUERTO RICO PURSUANT TO BANKRUPTCY RULE 9019 FOR ORDER
APPROVING STIPULATION AND AGREED ORDER (A) ALLOWING PRIFA
BANs GUARANTEE CLAIM, (B) AUTHORIZING ESCROW OF PRIFA FUNDS
AND (C) DIRECTING DISMISSAL OF LITIGATION WITH PREJUDICE**

To the Honorable United States District Judge Laura Taylor Swain:

The Official Committee of Unsecured Creditors (the “Committee”)² hereby submits this reservation of right (the “Reservation of Rights”) with respect to the *Motion of the Commonwealth of Puerto Rico Pursuant to Bankruptcy Rule 9019 for an Order Approving Stipulation and Agreed Order (A) Allowing PRIFA BANs Guarantee Claim, (B) Authorizing Escrow of PRIFA Funds and (C) Directing the Dismissal of Litigation with Prejudice* [Docket

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² The Committee is the official committee of unsecured creditors for all Title III Debtors, other than PBA and COFINA.

No. 12519] (the “PRIFA 9019 Motion”).³ In support of this Reservation of Rights, the Committee respectfully represents as follows:

RESERVATION OF RIGHTS

1. In exchange for settling the Title III BANs Litigation and the Takings Litigation, the Oversight Board, AAFAF, and PRIFA have agreed, among other things, that (i) PRIFA will make a one-time cash payment to the PRIFA BANs Bondholders in the amount of \$12.7 million, (ii) CW BANs Claims will be allowed in full, and (iii) CW BANs Claims will be classified in the class of 2014 CW Guarantee Bond Claims (the “PRIFA Stipulation”). While the PRIFA Stipulation does not take effect until the effective date of the Plan, approval of the PRIFA Stipulation appears to resolve, at this time, the allowance and classification of the CW BANs Claims (subject to the effective date of the Plan occurring); thus, if the Stipulation is approved, the allowance and classification of the CW BANs Claims could not later be challenged in connection with the confirmation of the Plan.

2. The Committee takes no position as to the reasonableness of the PRIFA Stipulation, including the allowance in full of the CW BANs Claims and their classification as 2014 CW Guarantee Bond Claims. However, the Committee reserves all rights to object to the treatment of the CW BANs Claims under the Plan, including the reasonableness of any settlement regarding the alleged GO priority or the constitutional debt limit, unfair discrimination, or any other issue related to confirmation of the Plan.

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³ Capitalized terms not defined in this Objection have the meanings set forth in the PRIFA 9019 Motion.

WHEREFORE, the Committee respectfully requests that the Court take notice of the foregoing.

Dated: April 9, 2020

/s/ Luc A. Despins

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